

# House Study Bill 544 - Introduced

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED DEPARTMENT OF  
REVENUE BILL)

## A BILL FOR

1 An Act updating the Code references to the Internal Revenue  
2 Code, and including effective date and retroactive  
3 applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.335, subsection 7, paragraph b, Code  
2 Supplement 2011, is amended to read as follows:

3 b. For purposes of this section, "*Internal Revenue Code*"  
4 means the Internal Revenue Code in effect on January 1, ~~2011~~  
5 2012.

6 Sec. 2. Section 15A.9, subsection 8, paragraph e,  
7 subparagraph (2), Code Supplement 2011, is amended to read as  
8 follows:

9 (2) For purposes of this subsection, "*Internal Revenue Code*"  
10 means the Internal Revenue Code in effect on January 1, ~~2011~~  
11 2012.

12 Sec. 3. Section 422.3, subsection 5, Code Supplement 2011,  
13 is amended to read as follows:

14 5. "*Internal Revenue Code*" means the Internal Revenue Code  
15 of 1954, prior to the date of its redesignation as the Internal  
16 Revenue Code of 1986 by the Tax Reform Act of 1986, or means  
17 the Internal Revenue Code of 1986 as amended to and including  
18 January 1, ~~2011~~ 2012.

19 Sec. 4. Section 422.10, subsection 3, paragraph b, Code  
20 Supplement 2011, is amended to read as follows:

21 b. For purposes of this section, "*Internal Revenue Code*"  
22 means the Internal Revenue Code in effect on January 1, ~~2011~~  
23 2012.

24 Sec. 5. Section 422.32, subsection 1, paragraph g, Code  
25 Supplement 2011, is amended to read as follows:

26 g. "*Internal Revenue Code*" means the Internal Revenue Code  
27 of 1954, prior to the date of its redesignation as the Internal  
28 Revenue Code of 1986 by the Tax Reform Act of 1986, or means  
29 the Internal Revenue Code of 1986 as amended to and including  
30 January 1, ~~2011~~ 2012.

31 Sec. 6. Section 422.33, subsection 5, paragraph d,  
32 subparagraph (2), Code Supplement 2011, is amended to read as  
33 follows:

34 (2) For purposes of this subsection, "*Internal Revenue Code*"  
35 means the Internal Revenue Code in effect on January 1, ~~2011~~

1 2012.

2     Sec. 7.  EFFECTIVE UPON ENACTMENT.  This Act, being deemed of  
3 immediate importance, takes effect upon enactment.

4     Sec. 8.  RETROACTIVE APPLICABILITY.  This Act applies  
5 retroactively to January 1, 2011, for tax years beginning on  
6 or after that date.

7	EXPLANATION
---	-------------

8       This bill updates the Iowa Code references to the Internal  
9 Revenue Code to make federal income tax revisions enacted by  
10 Congress in 2011 applicable for Iowa income tax purposes.

11 Code sections 422.3 and 422.32, general definitions  
12 sections in the chapter of the Code that governs corporate  
13 and individual income tax and the franchise tax on financial  
14 institutions, are amended to update the references to the  
15 Internal Revenue Code to make certain federal income tax  
16 revisions enacted by Congress in 2011 applicable for purposes  
17 of the corporate and individual income taxes and the franchise  
18 tax on financial institutions.

Code sections 15.335, 15A.9, 422.10, and 422.33 are amended to update the Internal Revenue Code references to the state research activities credit for individuals, corporations, corporations in economic development areas, and corporations in quality jobs enterprise zones to include the 2011 federal changes to the research activities credit and the alternative simplified research activities credit.

26       The bill takes effect upon enactment and applies  
27 retroactively to January 1, 2011, for tax years beginning on  
28 or after that date.